



Greater Hartford Legal Aid

**Testimony of Attorney Nicholas P. Yorio, Greater Hartford Legal Aid, Inc.
Regarding Senate Bill 32, An Act Implementing the Governor's Budget Recommendations
Concerning Social Services**

Human Services Committee Hearing, February 23, 2010

I am here to testify regarding SB 32 and to highlight what are some of the most harmful aspects of the healthcare proposals contained therein. I am an attorney at Greater Hartford Legal Aid, a legal services program providing free legal services to low-income residents in and around Hartford County. One of my core responsibilities is to work with indigent and often disabled persons who rely on state and federal health insurance to obtain medical services. There are many aspects of SB 32 that will be very harmful to this vulnerable demographic of Connecticut citizens. I will briefly address several of the proposals that will be particularly burdensome for my clients.

Section 30. This section eliminates optician services, glasses, and contacts for all programs administered by DSS. To be clear, for the majority of the persons affected the average cost of eyeglasses will be prohibitive given the income limitations for the particular program administered by DSS. As a result, persons will be forced to endure vision problems regardless of severity and regardless of the fact that the problem could be fully corrected with eyeglasses. This section also creates a situation in which persons are given a prescription by a doctor but have no way to fill it. One perverse effect of this section is that the denial of corrective eyewear, and the accompanying inability to see, will present a major barrier to finding work for many persons and perpetuate continued reliance on DSS administered programs.

Section 31. This section eliminates coverage of over-the-counter drugs (except insulin and syringes) for all programs administered by DSS and will have the same functional effect for these products that Section 30 has for eyeglasses. That is, persons will go without many over-the-counter drugs that are medically beneficial because they have become cost prohibitive. Paradoxically, in some situations persons will be forced to get a more expensive prescription to obtain a drug that could be more cheaply obtained in an over-the-counter form. In combination, Section 30 and 31 impose two very significant costs on needy Connecticut residents relying on DSS administered services and will lead to those persons forgoing necessary services.

Section 32. This section eliminates attorneys' fees previously paid by the state for attorneys successfully representing persons in Supplemental Security Income appeals and instead makes that amount recoverable from the recipient. There are a number of significant problems with this proposal, including the fact that the provision in the federal Social Security Act allowing attorney payment from retroactive awards will expire on February 28, 2010 and that the payment of attorneys' fees by the state actually saves the state money in the long run. Specifically, the attorneys' fees for successful representation help encourage attorneys to advocate for needy clients and move them from state-funded cash programs, such as SAGA, to federally funded cash programs, such as SSI and SSI/SSDI, and jointly funded medical programs, such as Medicaid.

Section 34. This section imposes a cost-sharing element into the Medicaid program and represents yet another cumulative burden imposed on this same population by SB 32. Many people in the Medicaid program are disabled or elderly and all are on a limited income. For

many, this additional cost will be a bar to obtaining necessary treatment. The end result can be especially perverse, as the state can face increased medical expenditures to treat a condition that escalated into an emergency that could have been avoided.

Sections 45 & 46. These sections, which authorize the conversion of Medicaid, HUSKY A and B, Charter Oak and SAGA from managed care systems of health care delivery to systems run through administrative service organizations, contain proposals that I am cautiously optimistic about for my client base. Moving beyond the managed care organizations has the potential to be a good thing for the state and its residents, but I would urge the legislature to monitor this implementation to make sure the consumer gets the full benefit of the conversion.

The harmful impacts of the sections I have highlighted are real and certain. In the abstract, some of these costs seem very minor outside the context of the lives of the people affected. Taking for example one of the less expensive costs imposed, such as the \$20 per month cost-sharing imposed by Section 34, it is significant to note the impact of this cost on persons with incomes sufficiently low to qualify for HUSKY. The HUSKY A upper-income limit for such a three person family is just below \$34,000 annually, which is approximately \$2,830 monthly. With the average monthly cost of a two bedroom apartment in Connecticut at just below \$1,100, that leaves approximately \$1,730 monthly for food, childcare, transportation costs, utilities, taxes, and all other living expenses for three people. I'd ask you now to think about these three people, at the upper echelon of the HUSKY A income scales, and envision what is left over after food, childcare, transportation, utilities, and other living expenses are subtracted from the remaining \$1,730. This is the point at which these costs are imposed and this is the point at which this family must find the \$60 for their co-pays or the even greater amounts for eyeglasses and over-the-counter drugs. For this hypothetical family at the top of the HUSKY A income scale, it is clear that the money will be very difficult to find. As I know from dealing with many clients relying on these benefits for their survival – for the real families – this money will not be found. I can assure you that for many, eyewear will be too expensive, over-the-counter drugs too costly, and services no longer affordable. To ask someone to pay when they cannot yields a predictable result. In this case, services will be lost, health will decline, and our most vulnerable will suffer.

I have seen their faces and know the people who will lose the ability to receive medical treatment and to live their lives with dignity. I ask you on behalf of them to consider SB 32's effects on them as our fellow Connecticut citizens. I would end by referring the Committee to the April 2009 Policy Brief prepared by the Connecticut Health Foundation on Proposed Medicaid Cost Sharing. The brief is available at their website and presents a research based proposal that documents the harmful effects that are certain to follow from the implementation of increased premiums and co-pays on the Medicaid population.

I thank you on behalf of myself and my client base for this opportunity to offer testimony on these sections of SB 32.